

FIN3150: Managerial Finance I *Spring 2016*

Instructor:	Faisal Khan	E-mail:	abu.khan@dixie.edu
Class time:	Section 02: TTH 2:30 –3:45am Section 50: TTH 5:30 – 6:45pm	Classroom:	Section 02: Hazy # 229 Section 02: Hazy # 242
Office Hours:	MW 1:30 – 2:30 pm TTH 4:15- 5:15 pm and by appointment	Office:	Hazy #334

Pre-requisites

ACCT 2020 (Managerial Accounting)
ECON 2020 (Macro Economics)
STAT 2040 (Business Statistics)

Course description

Required of students pursuing majors and emphases in the School of Business. Covers fundamentals necessary to analyze financial statements, including statement of cash flows and financial ratio analysis, identifying financial management goals, time value of money, valuation, risk and return characteristics, and capital and cash budgeting.

Summary of the Class

This is introductory finance class that gives you the basic understanding of the different topics in finance mostly from the firm's perspective. The different topics covered in class include the following:

- Role of finance in the firm.
- Financial statements and financial statement analysis.
- Time value of money and application of TVM.
- Financial asset valuation (stocks and bonds).
- Concepts of risk and return in finance.
- Capital budgeting decisions & quantitative models for these decisions.
- Capital structure and cost of capital.
- Working capital management.

Course format

Although it is not flipped or reverse class room format, I expect you to read the assigned textbook chapter and get yourself familiar with the concepts **before** coming to the class. I will do lecture during class time. I will also use the class time to cover the application of the concepts and answer your questions. My goal is to use a lot of the classroom time on practical application of the concepts and help you developing financial analysis skills that you will need in your personal life and in the workplace. We will use classroom time for solving problems and I expect you to get actively involved by participating in discussions and solving problems on board. Classroom participation will be significant part of your course grade. So come to class prepared and ready to learn.

Textbook

- **Financial Management, 2nd Ed.** By **Raymond M. Brooks**; ISBN: 978-0-13-267103-3. Textbook is **mandatory** in the class. It is important that you have some textbook in some format (hard copy or ebook) and that you can read the chapters before class, and refer to it outside of class. My lectures will not cover everything in the textbook but you are expected to know that material. Reading through the topics covered in class will help you really understand the material.

Tentative Class Schedule

Spring 2016

- **Financial Analysis with Microsoft Excel, 6th Ed.**, By Mayes; ISBN: 978-1-111-82624-6. In case you feel you need additional help with MS Excel, the above textbook is of great help. In class we may not have sufficient time to cover all necessary Excel skills as our focus is on finance principles and financial analysis methods. Excel is one of the possible tools in finance. This text is of help to those who need some assistance with their Excel skills but also to those who want to learn more than just the required minimum in this class. The copy of the text is on reserve at DSU Library.

Udvar-Hazy School of Business Learning Outcomes (LO)

This course is intended to address the following program learning outcomes on the introductory 2203

1. A working level knowledge of the core functional areas of business:
 - A. Students will demonstrate a working level knowledge of core business functions related to human resource management
 - B. Students will be able to analyze a complex business situation, identify relevant business issues, opportunities and problems.
2. The ability to apply higher levels of critical thinking:
 - A. Students will be able to analyze business situations by performing appropriate quantitative and qualitative analysis, synthesize to form alternative solutions; and make recommendations for viable courses of action.
3. The interpersonal and communication skills necessary to succeed in business:
 - A. Students will deliver professional quality oral presentations
 - B. Student will prepare professional quality written presentations
 - C. Students will identify the essential elements of successful teamwork and will reflect upon their competency and experiences in applying them
4. The ability to identify and resolve ethical issues:
 - A. Students will analyze a complex business situation, identify relevant ethical issues and suggest ethical courses of action.

Course Objectives

1. Understand the basics of a career in financial management. [LO 1A]
2. Understand the role of finance within a firm. [LO 1A]
3. Know how to analyze financial statements (balance sheets and income statements). [LO 1B, 2, 3B, 3C & 4A]
4. Know how to make time-value-of-money calculations. [LO 1A & 2]
5. Know how to use a financial calculator. [LO 1A]
6. Know how to assess the value of financial assets (securities, projects and businesses) [LO 1A, 1B, 2]
7. Identify and quantify financial risk and its role in financial decision making. [LO 1B, 2, 3B, 3C & 4]
8. Know how to conduct a capital budgeting analysis. [LO 1A, 1B, 2, 4]
9. Assess ethical issues in finance. [LO 1A, 1B, 4]
10. Develop the ability to use the results from the quantitative financial analysis to make good financial decisions. [LO 1B, 2, 3]
11. Appreciate how an understanding of finance is important to your own professional development and career success, as well as how it can impact your own, personal decisions. [LO 1 & 2]

Class Notes and Assignments

All homework's / assignments and Quizzes will be posted on Canvas. You are to submit all quizzes on Canvas and homework would be submitted in class by deadline. Late work will not be accepted!

I will post all my lecture notes on Canvas, and I will also use white board extensively I strongly encourage you to take notes in class. Recent academic research shows that hand-written notes help students to understand and retain the material covered in class significantly better than typed notes or just listening to the lecture.

Tentative Class Schedule

Spring 2016

Calculator & MS Excel

You **must** have a financial calculator to get through the course. Many of the homework and exam problems involve complex financial calculations and a financial calculator is necessary to solve them. I recommend **Texas Instruments BA II Plus**. In case you pick a different calculator, it is **your responsibility** to familiarize yourself with the user manual of your calculator!

I do not suggest using financial calculator apps for the smart phone, as phones or tablets will not be allowed during the exams!

You will also need to use MS Excel for the class Projects.

Homework

Most of the finance concepts can only be mastered through practice and solving of problems related to the topic. It is beneficial to solve as many exercises, questions and problems at the end of each chapter as possible. The homework assignments will be posted on Canvas. The homework is to be turned in class by the assigned deadline. **Late submission is NOT accepted without talking to me BEFORE the deadline and getting permission!**

Each homework assignment is worth 10 points. One of the lowest graded problem set grades will be dropped and will not count towards your final grade.

It is important that you show your work illustrating how you reached the solution! I may give partial credit. No credit is given if the solution steps are not shown.

Quizzes

Quizzes will be posted on *Canvas*®. They are designed to check if you have read the chapter and know of key terms and definitions. One of the lowest graded quizzes will be dropped.

Group Project

For the group project you are to form groups of 3-4 students. The class project is in two parts. The more detailed description of the group project is given when we cover respective topics.

Rules for group work:

- Pick your own groups. (If you have trouble getting picked, I will help.)
- All group work will be **SELF-MANAGED**.
- You are to let me know who worked on the project. Feedback is anonymous and I will not inform your group members of your feedback.
- Group members **not** contributing to the project will receive **zero** points.

Exams

There will be three exams: two mid-term exams and one final exam. The exams will not be comprehensive. Each exam will consist of a combination of objective (multiple choice) questions and analytical problems. The exams are closed book. I may allow single sheet of hand written notes to write down the formulas **only**. You must have a written medical excuse to be absent from the exam.

Course Grade

Your course grade will be based on the total points accumulated on the various assignments completed. The following weights pertain to those assignments:

- Quizzes: 10%
 - Class participation: 5%
 - Homework problem sets: 10%
 - Group Project: 15%
 - 3 Exams (20% each): 60%
- 100%

Tentative Class Schedule

Spring 2016

The letter grades will be assigned as follows:

93% and up – A	83.0-86.9% – B	73.0-76.9% – C	63.0-65.9% – D
90.0-92.9% – A-	80.0-82.9% – B-	69.0-72.9% – C-	60.0-62.9% – D-
87.0-89.9% – B+	77.0-79.9% – C+	66.0-68.9% – D+	Below 60% – F

Class Rules and expectations

Students who attend class, come to class prepared, and participate tend to do better in this class. I expect you to take active role in your learning by participating in class discussions, asking questions about application and concepts. Come to class prepared and get involved.

It is my responsibility as an instructor to manage the classroom environment to ensure a good learning climate for all students. I expect you to help by doing the following:

- Turn off your cell phones;
- Do not talk when the presenter is talking;
- Speak and act respectfully to the fellow students;
- Use your laptop or tablet for class purposes only (if I catch you using computers for not class related purposes, I will mark you absent in class).
- Follow instructions;
- Please be on time to class!

Violation of above policies will affect your participation points.

For more details, please see the disruptive behavior policy at: <http://www.dixie.edu/humanres/policy/sec3/334.html>

DSU Policies, Procedures, and Semester Dates

Click on this link - <http://www.dixie.edu/reg/syllabus/> - for comprehensive information on the Semester Dates, the Final Exam Schedule, and University resources such as the library, Disability Resource Center, IT Student Help Desk, Online Writing Lab, Testing Center, Tutoring Center, and Writing Center. In addition, please review DSU policies and statements with regards to Academic Integrity, Disruptive Behavior and Absences related to university functions.

University approved absences

DSU Policy explains what needs to happen if you anticipate being absent from class because of a university-sponsored activity (athletic events, etc). Please read the instructions carefully! The policy can be found: <http://www.dixie.edu/humanres/policy/sec5/523.html>

Disability Accommodations

If you are a student with a medical, psychological, or learning disability or think you might have a disability and would like accommodations, contact the Disability Resource Center (652-7516) in the North Plaza and inform me at the **beginning** of the semester. The Disability Resource Center (<http://dixie.edu/drcenter/>) will determine eligibility of the student requesting special services and determine the appropriate accommodations related to their disability.

Academic Integrity

In order to ensure that the highest standards of academic conduct are promoted and supported, students must adhere to generally accepted standards of academic honesty, including but not limited to, refraining from cheating, plagiarizing, falsification, misrepresentation, and/or inappropriately collaborating. The University shall hold students accountable for instances of academic dishonesty and apply appropriate consequences. For more information, see the Student Academic Misconduct section at <http://www.dixie.edu/humanres/policy/sec5/533.html#appeals>.

In my class I define cheating and plagiarism as follows:

- (1) **Cheating** includes, but is not limited to, giving unauthorized help during an examination, obtaining unauthorized information about an examination before it is administered, using inappropriate sources of information during an examination, altering the record of any grade, altering an answer after an examination has been submitted, and misrepresenting the facts in order to obtain exemptions from course requirements.

- (2) **Plagiarism** includes, but is not limited to, submitting, to satisfy an academic requirement, any document that has been copied in whole or in part from another individual's work without identifying that individual; neglecting to identify as a quotation a documented idea that has not been assimilated into the student's language and style; paraphrasing a passage so closely that the reader is misled as to the source; submitting the same written or oral material in more than one course without obtaining authorization from the instructors.

Class Communication

Important class information will be sent to your Canvas Inbox and/or via Canvas Announcement function. You will be held responsible for information sent to your Canvas account, so please check it often.

Title IX Statement

DSU seeks to provide an environment that is free of bias, discrimination, and harassment. If you have been the victim of sexual harassment/misconduct/assault we encourage you to report this to the college's Title IX Director, Cindy Cole, (435) 652-7731, cindy.cole@dixie.edu. If you report this to your instructor or the teaching assistant, she or he must notify the DSU Title IX coordinator about the basic facts of the incident.

Additional Resources

Academic Calendar - <http://new.dixie.edu/reg/?page=calendar>

Library: <http://library.dixie.edu>

Writing Center - http://new.dixie.edu/english/dsc_writing_center.php

Testing Center - <http://dixie.edu/testing>

Tutoring Center - <http://dsc.dixie.edu/tutoring/>

Policy for Absences Related to College Functions: <http://www.dixie.edu/humanres/policy/sec5/523.html>

Disruptive behavior policy /classroom expectations: <http://www.dixie.edu/humanres/policy/sec3/334.html>

Academic dishonesty / Academic integrity policy: <http://www.dixie.edu/humanres/policy/sec3/334.html>

The Office of Ombuds: <http://www.dixie.edu/ombuds/>

Tentative Class Schedule

Wk.	Days	Date	Topic	Assignment and Quiz Due dates
1	Tuesday	Jan. 12	Introduction & Financial Management (Ch.1)	
1	Thursday	Jan. 14	Financial Statement (Ch. 2)	
2	Tuesday	Jan. 19	Continue with chapter 2	Quiz 1(Ch. 2)
2	Thursday	Jan. 21	Financial Ratios and Firm Performance (Ch 14)	Assignment 1 (Ch. 2)
3	Tuesday	Jan. 26	Continue with chapter 14	Quiz 2(Ch. 14)
3	Thursday	Jan. 28	The Time Value of Money I (Ch. 3)	Assignment 2 (Ch. 14)
4	Tuesday	Feb. 2	Continue with chapter 3	Quiz 3(Ch. 3)
4	Thursday	Feb. 4	The Time Value of Money II (Ch. 4)	Assignment 3 (Ch. 3)
5	Tuesday	Feb. 9	Exam 1 Review	Quiz 4(Ch. 4) Assignment 4 (Ch. 4)
5	Thursday	Feb. 11	Exam 1 (Chapter 1,2,3,4& 14)	
6	Tuesday	Feb. 16	Interest Rates (Ch. 5)	
6	Thursday	Feb. 18	Continue with chapter 5	Quiz 5 (Ch. 5)
7	Tuesday	Feb. 23	Bond Valuation (Ch. 6)	Assignment 5 (Ch. 5)
7	Thursday	Feb. 25	Continue with chapter 6 (Project part 1 due)	Quiz 6 (Ch. 6)
8	Tuesday	Mar. 1	Stock Valuation (Ch. 7)	Assignment 6 (Ch. 6)
8	Thursday	Mar. 3	Continue with chapter 7	Quiz 7 (Ch. 7)
9	Tuesday	Mar. 8	Spring Break	No Class
9	Thursday	Mar. 10	Spring Break	No Class
10	Tuesday	Mar. 15	Risk and Return (Ch. 8)	Assignment 7 (Ch. 7)
10	Thursday	Mar. 17	Continue with chapter 8	Quiz 8(Ch. 8)
11	Tuesday	Mar. 22	Exam 2 Review	Assignment 8 (Ch. 8)
11	Thursday	Mar. 24	Exam 2 (Chapter 5,6, 7& 8)	
12	Tuesday	Mar. 29	Capital Budgeting (Ch. 9)	
12	Thursday	Mar. 31	Continue with chapter 9	Quiz 9 (Ch. 9)
13	Tuesday	Apr.5	Cost of Capital (Ch. 11)	Assignment 9 (Ch. 9)
13	Thursday	Apr.7	Continue with chapter 11	Quiz 10(Ch. 11)
14	Tuesday	Apr.12	Cash Flow estimation and forecasting (Ch. 10 & 12)	Assignment 10 (Ch. 11)
14	Thursday	Apr. 14	Continue with chapter 10 and 12 (Project: Part 2 Due)	Quiz 11(Ch. 10)
15	Tuesday	Apr.19	Continue with chapter 10 and 12	Assignment 11 (Ch. 10)
15	Thursday	Apr.21	Raising Capital (Ch. 15)	Quiz 12(Ch. 12)
16	Tuesday	Apr.26	Continue with chapter 15	Assignment 12 (Ch. 12)
16	Thursday	Apr.28	Review	
	Final Exam		(Chapter 9,10,11,12 & 15)	

